



April 8, 2021

**VIA ECF**

Hon. Lois H. Goodman, U.S.M.J.  
United States District Court for the District of New Jersey  
Clarkson S. Fisher Building & U.S. Courthouse  
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Trenton, NJ 08608

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**Re: *In re Valeant Pharmaceuticals International, Inc. Securities Litigation*, Master File No. 15-7658 (MAS)(LHG)**

Dear Judge Goodman:

The Valeant Defendants write in response to the Opt Out Plaintiffs' April 6, 2021 letter (ECF 729) regarding the Valeant Defendants' pending Objection to the January 28, 2021 Order of the Special Master (ECF 666) (the "Objection").<sup>1</sup> The Objection is not "moot," as the Opt Outs suggest.

On March 31, 2021, Special Master Cavanaugh held a status conference and approved a 45 day extension to the current case schedule that was sought by the Opt Out Plaintiffs. However, this 45-day extension does not "moot" the substance of the Objection which focuses on the need for continued coordination of the actions to prevent prejudice that would result from piecemeal litigation. Indeed, prior to the status conference, and at the conference itself, the Valeant Defendants agreed that a 45-day extension was warranted as an interim measure, but stated clearly that their position remains that a more comprehensive scheduling order in the form proposed as Exhibit B<sup>2</sup> to the Objection is necessary:

As set forth in their pending Objection, the Valeant Defendants continue to believe that a more nuanced scheduling order that takes into account all of the actions is necessary to preserve the benefits of case coordination and that the Proposed Order submitted as an exhibit to the Objection accomplishes these goals. . . . While the Opt Outs' proposed 45-day extension is an appropriate interim measure, the balance of the Opt Outs' proposed schedule fails to address the

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<sup>1</sup> For the purposes of this correspondence, the Valeant Defendants are Valeant Pharmaceuticals International, Inc., n/k/a/ Bausch Health Companies Inc. ("Valeant"), the individual defendants listed in the signature blocks, and the underwriters listed in the signature blocks. While all Defendants are named in the Securities Class Action, the Opt Out Actions assert claims only against certain Defendants.

<sup>2</sup> The Proposed Order is also attached as Exhibit 1 to this correspondence.

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many issues with the current schedule or provide workable medium or long-term solutions for the issues Valeant has identified.

Exhibit 2, March 30, 2021 Letter from the Valeant Defendants to Special Master Cavanaugh, at 3; see also Exhibit 3, Transcript of March 31, 2021 Conference) at 27:2-35:19. The Valeant Defendants' position has not changed – and the fact that the Opt Outs, the same parties who previously assured Your Honor that no extension to the case schedule would be necessary, sought such an extension provides further evidence that the issues raised by the Valeant Defendants in their Objection require a more comprehensive, thoughtful schedule.

Specifically, as noted in the Valeant Defendants' March 30, 2021 pre-conference submission to the Special Master, (see Exhibit 2 at 2), since the January 27 conference, the issues defendants identified as obstacles to discovery closing under the current schedule have become more pronounced. **First**, discovery of PwC and Class Plaintiff remains stayed. **Second**, discovery disputes remain ongoing. Additional discovery disputes were just raised at the March 31 conference and will now be briefed in April and May. **Third**, the Special Master's report and recommendation granting Defendants' motion for partial judgment on the pleadings in the *Hound Partners* action remains pending before Judge Shipp. That ruling disposed of the only live claims in any of the Opt Out Actions against the Underwriter Defendants and PwC. Likewise, dispositive motions remain pending in the *Maverick*, *Templeton*, and *USAA* Opt Out Actions, and on March 29, the Special Master directed that the *Maverick* action is currently stayed. See ECF 721.

In sum, the scheduling issues addressed in the Objection remain just as salient after the March 31, 2021 conference as before. Indeed, there can be no dispute that the above issues exist or that further case management procedures will be necessary to fairly and efficiently manage expert discovery and summary judgment across these numerous coordinated actions. Thus, the practical effect of now finding the objection "moot" would be to require the Valeant Defendants to raise their scheduling objections again before the Special Master, which would serve no purpose other than delaying their ultimate resolution. The Valeant Defendants therefore respectfully submit that this Court's intervention remains necessary to preserve the benefits of coordination and ensure that this complex litigation remains manageable for the Court and the parties as it proceeds through the pretrial process.

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We thank Your Honor for your attention to these matters. We are available to answer any questions.

Respectfully,

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